



## **FEDERAL RESERVE SYSTEM**

### **12 CFR Parts 211 and 238**

**[Docket No. R-1569]**

**RIN 7100-AE82**

### **Large Financial Institution Rating System; Regulations K and LL**

**AGENCY:** Board of Governors of the Federal Reserve System (Board).

**ACTION:** Notice of proposed rulemaking; extension of comment period.

**SUMMARY:** On August 17, 2017, the Board published in the *Federal Register* a proposed new rating system for its supervision of large financial institutions. To facilitate effective public comment, the Board has determined that an extension of the public comment period until November 30, 2017, is appropriate. This action will allow interested persons additional time to analyze the proposal and prepare their comments.

**DATES:** The comment period for the notice of proposed rulemaking published on August 17, 2017 (82 FR 39049), is extended. Comments on the proposal must be received on or before November 30, 2017.

**ADDRESSES:** Interested parties are invited to submit written comments by following the instructions for submitting comments at

*<http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.*

- *Federal eRulemaking Portal:* *<http://www.regulations.gov>*. Follow the instructions for submitting comments.

- *Email:* *[regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov)*. Include the docket number in the subject line of the message.

- *Fax:* (202) 452–3819 or (202) 452–3102.

• *Mail*: Address to Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW., Washington, DC 20551.

All public comments will be made available on the Board's Web site at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm> as submitted, unless modified for technical reasons. Accordingly, comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room 3515, 1801 K Street NW. (between 18th and 19th Street NW.), Washington, DC 20006 between 9:00 a.m. and 5:00 p.m. on weekdays.

**FOR FURTHER INFORMATION CONTACT:** Richard Naylor, Associate Director, (202) 728-5854, Vaishali Sack, Manager, (202) 452-5221, April Snyder, Manager, (202) 452-3099, Bill Charwat, Senior Project Manager, (202) 452-3006, Division of Supervision and Regulation, Scott Tkacz, Senior Counsel, (202) 452-2744, or Christopher Callanan, Senior Attorney, (202) 452-3594, Legal Division, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551. For the hearing impaired only, Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869.

**SUPPLEMENTARY INFORMATION:** On August 17, 2017, the Board published in the *Federal Register* a proposed new rating system for its supervision of large financial institutions. The proposed "Large Financial Institution Rating System" is closely aligned with the Federal Reserve's new supervisory program for large financial institutions. The proposed rating system would apply to all bank holding companies with total consolidated assets of \$50 billion or more; all non-insurance, non-commercial savings and loan holding companies with total consolidated assets of \$50 billion or more; and

U.S. intermediate holding companies of foreign banking organizations established pursuant to the Federal Reserve's Regulation YY. The proposed rating system includes a new rating scale under which component ratings would be assigned for capital planning and positions, liquidity risk management and positions, and governance and controls; however, a standalone composite rating would not be assigned. The Federal Reserve proposes to assign initial ratings under the new rating system during 2018. The Federal Reserve is also seeking comment on proposed revisions to existing provisions in Regulations K and LL so they would remain consistent with certain features of the proposed rating system.

In recognition of the range of issues addressed and the variety of considerations involved with implementing the proposal, the Board requested that commenters respond to a number of questions. The proposal stated that the public comment period would close on October 16, 2017.<sup>1</sup>

The Board believes that the additional period for comment will facilitate public comment on the provisions of the proposal and the questions posed by the Board. Therefore, the Board is extending the end of the comment period for the proposal from October 16, 2017, to November 30, 2017.

**By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority, October 5, 2017.**

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Ann E. Misback,  
Secretary of the Board.

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<sup>1</sup> *Id.*

